"§1829. Loan fee

"(a)(1) Except as provided in subsection (c)(1) of this section, a fee shall be collected from each veteran obtaining a housing loan guaranteed, insured, or made under this chapter, and from each person obtaining a loan under section 1833(a) of this title, and no such loan may be guaranteed, insured, or made under this chapter until the fee payable under this section has been remitted to the Secretary.

"(2) The amount of such fee shall be 1.25 percent of the total loan amount, except that—

"(A) in the case of a loan made under section 1811 or 1833(a) of this title or for any purpose specified in section 1812 of this title, the amount of such fee shall be one percent of the total loan amount;

"(B) in the case of a guaranteed or insured loan for a purchase (except for a purchase referred to in section 1812(a) of this title), or for construction, with respect to which the veteran has made a downpayment of 5 percent or more, but less than 10 percent, of the total purchase price or construction cost, the amount of such fee shall be 0.75 percent of the total loan amount; and

"(C) in the case of a guaranteed or insured loan for a purchase (except for a purchase referred to in section 1812(a) of this title), or for construction, with respect to which the veteran has made a downpayment of 10 percent or more of the total purchase price or construction cost, the amount of such fee shall be 0.50 percent of the total loan amount.

"(3) Except as provided in paragraph (4) of this subsection, there shall be credited to the Guaranty and Indemnity Fund (in addition to the amount required to be credited to such Fund under section 1825(c)(2) (A) or (B) of this title), on behalf of a veteran who has made a downpayment described in paragraph (2)(C) of this subsection, an amount equal to 0.25 percent of the total loan amount for the fiscal year in which the loan is closed and for the following fiscal year.

"(4) Credits to the Guaranty and Indemnity Fund under paragraph (3) of this subsection with respect to loans guaranteed or insured under this chapter that are closed during fiscal year 1990 shall be made in October 1990 and October 1991.

"(5) The amount of the fee to be collected under paragraph (1) of this subsection may be included in the loan and paid from the proceeds thereof.

"(b) Except as provided in subsection (c) of this section, a fee shall be collected from a person assuming a loan to which section 1814 of this title applies. The amount of the fee shall be equal to 0.50 percent of the balance of the loan on the date of the transfer of the property.

"(c)(1) A fee may not be collected under this section from a veteran who is receiving compensation (or who but for the receipt of retirement pay would be entitled to receive compensation) or from a surviving spouse of any veteran (including a person who died in the active military, naval, or air service) who died from a service-connected disability.

"(2) There shall be credited to the Guaranty and Indemnity Fund (in addition to the amount required to be credited to such Fund under section 1825(cX2) (A) or (B) of this title and subsection (aX3) of this section), on behalf of a veteran or surviving spouse described in paragraph (1) of this subsection, an amount equal to the fee that,